

**VETERANS OF FOREIGN WARS
DEPARTMENT OF PACIFIC AREAS**

**A BEGINNER'S REVIEW AND REFRESHER TO BEING A
POST QUARTERMASTER**



WHAT IS A VFW QUARTERMASTER?

The Post Quartermaster is:

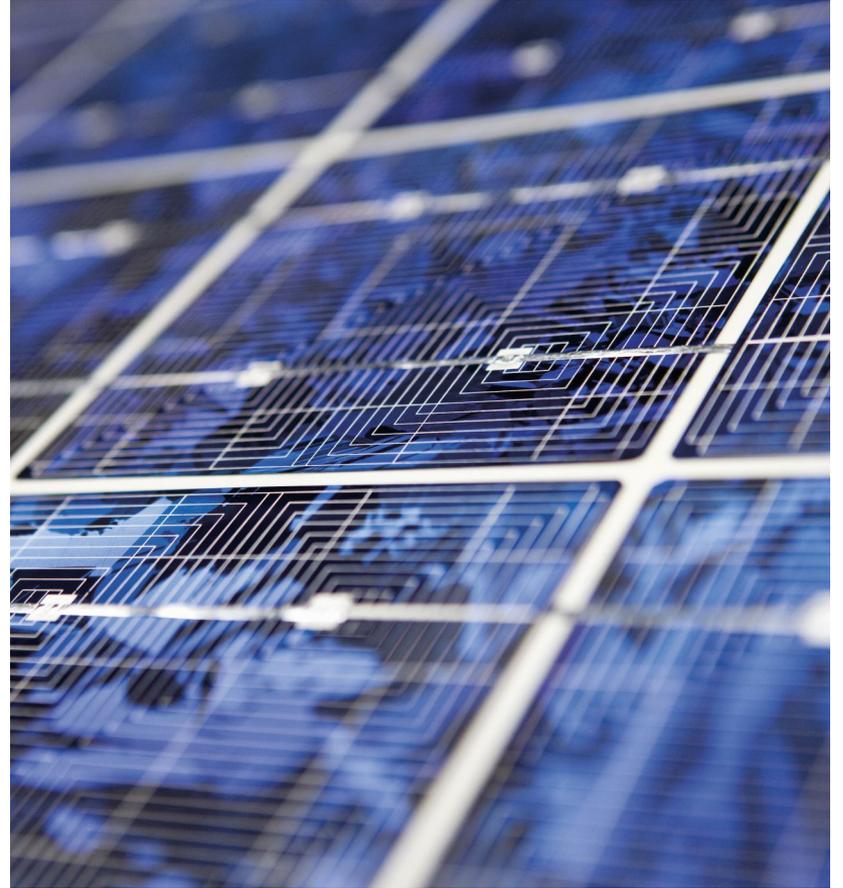
- The chief financial officer
- Custodian of Post funds and property
- Only one authorized to receive, handle, and account for funds
- Treasurer of all committees handling funds



DUTIES OF THE POST QUARTERMASTER

The duties are set forth in the National Manual of Procedure, Section 218(a)(5)

- Qualify and secure a bond equal to liquid assets.
- Collect all money, secure all property, be the accountable officer of the Post and Treasurer on committees.
- Disburse funds as properly authorized by the **Post** using accepted banking practices.
- Receive and pay membership dues.
- Provide Post Trustees all documents needed to conduct the quarterly audit.



DUTIES OF THE QUARtermaster (cont.)

- f. Maintain a relief fund. (Section 704 of Bylaws and Manual of Procedure)
- g. Reconcile and verify all transactions and maintain books and records in legible, uniform format.
- h. Provide access and transfer all properties of the Post to your successor without delay.
- i. Perform your duties in accordance with the Bylaws and laws and usages of this organization.

DUTIES OF THE QUARTEMASTER (cont.)

- j. Report on receipts and expenditures at regular and special meetings of the Post.
- k. File appropriate forms as required by Federal, State, and Local statutes and regulations.

Surety Bonds vs. Insurance

<u>Surety Bonds</u>	<u>Insurance</u>
Premium Assumes No Losses	Loss Projection included in Premium
Indemnitors Reimburse Surety for all Losses	Insured only Responsible for Deductible and Co-Pays
Limits or Capacity Based on Ability and Creditworthiness	Limits Based on Loss Control and What is Affordable
Often Written By Same Companies but Different Divisions	

Form **990** **Return of Organization Exempt From Income Tax** OMB No. 1545-0047
 (Rev. January 2020) Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations) **2019**
 Department of the Treasury Internal Revenue Service **Open to Public Inspection**
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning , 2019, and ending , 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization
 Doing business as
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
 City or town, state or province, country, and ZIP or foreign postal code

D Employer identification number
E Telephone number

F Name and address of principal officer:
H(a) Is this a group return for subsidiaries? Yes No
H(b) Are all subsidiaries included? Yes No
 If "No," attach a list. (see instructions)

G Gross receipts \$

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ **H(c)** Group exemption number ▶

K Form of organization: Corporation Trust Association Other ▶ **L** Year of formation: **M** State of legal domicile:

Part I Summary

TAKING OVER AS QUARTERMASTER

- Previous QM must be given a “clean slate” by Post Trustees.
- Check with bank to determine if funds are correct and in order.
- Update bank signature cards.
- Make deposits at regular intervals.
- Deposit receipts in same physical form as received.
- Never pay bills in cash.

FoolProof Bank - Signature Card																						
NAME IN FULL (Surname/Company Name First - IN CAPITAL LETTERS)	CURRENT A/C No. <table border="1"><tr><td> </td><td> </td></tr></table>																					
ADDRESS _____																						
P.O. Box No. (If any) _____																						
TEL No. _____																						
OCCUPATION/BUSINESS _____																						
DATE A/C Opened _____																						
USUAL SIGNATURE(S)	CHECKED BY _____ BANK STAMP / SIGNATURE																					

BONDS – ACCOUNTABLE OFFICER

- Who needs to be bonded?
 - Any and All Post Officers who have access to the Post Funds (on bank signature card).
 - The position, not the person is bonded.
- How much should you be bonded for?
 - Enough to cover liquid assets. Rule of Thumb: Should be slightly more than your quarterly audit total.
- How much does a bond cost?
 - \$4 per thousand with a minimum of \$3,000 in coverage.
<https://vfwca.org/uploads/Documents/Forms/StateBondingRates2021-2022.pdf>
- Can I increase my bond coverage?
 - Yes, you submit a new application and pay the difference between the two amounts.

BONDS – CLUB EMPLOYEES

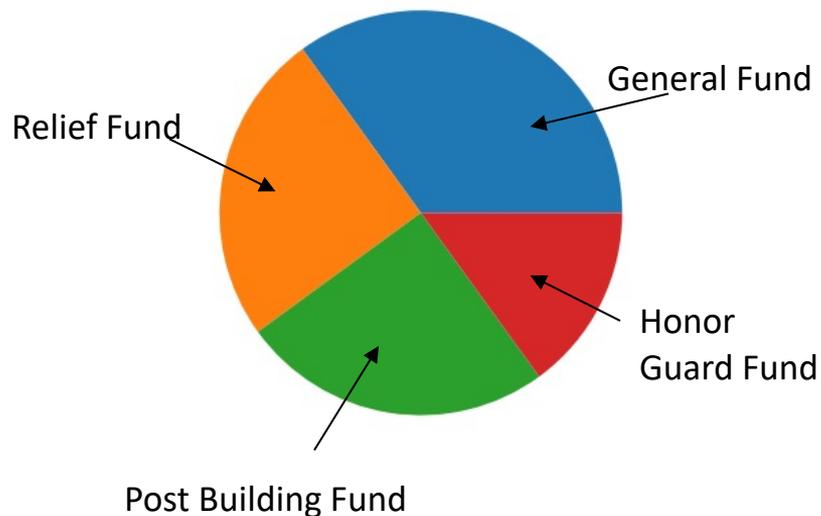
- Who needs to be bonded?
 - Any club employee who is responsible for money. Canteen manager, Bingo Chair.
 - The person, not the position is bonded.
- How much should you be bonded for?
 - Enough to cover what they normally are in custody of until given to QM.
- How much does a bond cost?
 - \$6 per thousand with a minimum of \$3,000 in coverage.
<https://vfwpacific.org/uploads/Documents/Forms/StateBondingRates2021-2022.pdf>
- What happens if the Canteen Manager is replaced?
 - You will need to submit a new application and pay for a new bond.

CHECKING ACCOUNT VS. FUND ACCOUNTS



- Various funds may make up your checking account.
- If you have a canteen, you should have a canteen fund.
- If you keep cash on hand, you should notate it in funds.
- If you have a Lotto machine, you must have it in a separate bank account.
- You **must** maintain a Relief Fund!

VFW Post 23 Checking Account



FINANCIAL REPORTING – Quartermaster's Ledger

The Receipts, Expenditure and Distribution Ledger (Item #4204), also known as the Quartermaster's Ledger is the most important financial record of the Post.

The ledger should contain the following information:

1. The date of the transaction
2. Who the transaction is associated with
3. The reason for the transaction
4. Receipt or Check number

Quartermaster's Ledger (cont.)

5. Cash and Bank represents to amount of the transaction. Funds received are entered in the Received column and funds paid out go in the Expended column.

6. The next columns will be your Post's line-item funds:
 - Dues
 - General Fund
 - Relief Fund
 - Canteen
 - Etc.

DETAIL OF RECEIPTS AND DISBURSEMENTS

This is commonly referred to as the Quartermaster's Monthly Report:

- Not intended to replace the Quartermaster's Ledger
- Assists in providing Post Trustees and Post Adjutant a continuous record of financial operation
- Provided to the Trustees for review and audit
- Assists Post Trustees in completing the quarterly audit.

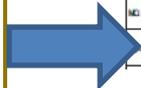
Checks & Balances (cont.)



The Ledger totals brought forward must match the Monthly the Cash Balance Last Report



Post Quartermaster's Receipt



DATE	FROM OR TO	REASON	RECEIPT OR CHECK NO.	CASH AND BANK		NATIONAL AND DEPARTMENT DUES		APPLICATION FEES	
				RECEIVED	EXPENDED	RECEIVED	EXPENDED	RECEIVED	EXPENDED
20									
ML	DAY								
1		Brought Forward		4,718.62					

STATEMENT OF FUNDS DISTRIBUTION OF RECEIPTS, DISBURSEMENTS & CASH BALANCES	CASH BALANCE LAST REPORT	
National and Department Dues	-----	-----
Admission Fees	-----	-----
Post General Fund	1,341	32
Post Relief Fund (See Sec. 219, Manual of Procedure)	134	89
Post Home or Building Fund (Including Savings)	710	00
Post Canteen or Club Fund	-----	-----
Life Membership Fund		
Other		
TOTALS	2,166	21

The above Statement of Funds must be completed by the Quartermaster and read at each meeting.

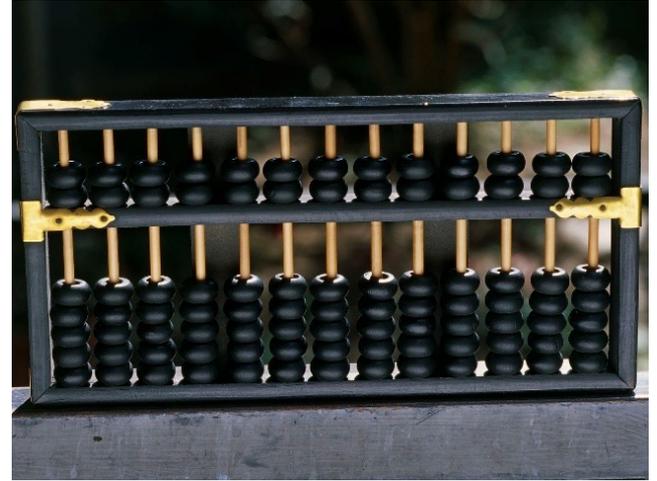
NO. 4208

ELECTRONIC BOOKKEEPING

Record keeping by electronic means may be used, provide a back-up is maintained.

Some common programs are:

- QuickBooks
- EO Software - <https://www.eosoftware.com/>
- Thomas Minisystems - <http://thomasminisystems.com/>



IMPORTANT DATES

- Surety Bond Renewal
 - No later than August 31st
- IRS 990 and FTB 199 (taxes)
 - No later than the 15th day of the 5th month following the end of your fiscal year. Normally November 15th.
- RRF-1 (If incorporated as a Public Benefit Corporation)
 - No later than the 15th day of the 4th month following the end of your fiscal year.
- Quarterly Audit
 - Within 30 days following the end of the quarter.



ONE DOES MORE FOR VETERANS

REFERENCES

Training and Forms

- www.vfw.org
- www.vfwca.org

Taxes

- 990-N (post card)
 - <https://www.irs.gov/charities-non-profits/annual-electronic-filing-requirement-for-small-exempt-organizations-form-990-n-e-postcard>
- 199-N (post card)
 - <https://www.ftb.ca.gov/file/business/types/charities-nonprofits/199N.asp>

Charitable Trust Renewal (RRF-1)

- https://oag.ca.gov/sites/all/files/agweb/pdfs/charities/charitable/rrf1_form.pdf

QUESTIONS

